

The Staying Put Initiative

December 6, 2003

The City of Charleston is currently working with local residents on a redevelopment plan for the Neck Area of the Peninsula. In addition to making sure that the planning is excellent, current Neck residents have expressed serious concern about the displacement of existing homeowners as the result of increased property taxes resulting from rising property values. The City has heard these fears and is proposing an unprecedented and bold step to address them. The City is proud to announce “**THE STAYING PUT FUND**”, a new private program designed to guarantee that not a single low or moderate income homeowner of the Charleston Neck area will be forced to leave their home as the result of increased property values.

Over the next decade, substantial redevelopment of old industrial and commercial properties will begin in The Charleston Neck. The Neck includes several small older, established neighborhoods. Median incomes are less than half those of the rest of the city. This existing resident population is a great asset to the Charleston Neck. The City of Charleston wants these residents to be able to stay in their neighborhoods and benefit from restoration of their living environment. Many are concerned that this will be difficult as property values – and subsequently property taxes – increase when the value of property is reassessed. The question is whether these residents will experience and benefit from a dramatically improved quality of life in the Neck area.

To address this question successfully, the City is forming a public-private partnership to ensure increased property values will not force anyone to leave the Charleston Neck. This commitment will be made real by the **Staying Put Fund**, a pool of money that will be available to homeowners of the Neck Area. These funds will be available to cover all increases in property taxes above their current level that result from reassessment. All low-to-moderate income Neck area residential property owners that live in their homes can apply for grants through this fund to pay for increased taxes. If, for any reason, individuals decide to leave the Neck and move, the grant money provided to these individuals will be collected at the property closing to be invested back into the **Staying Put Fund** to benefit other low and moderate income property owners.

The Staying Put Fund will be administered by a non-profit. This fund is made possible by a contribution of seed money from the development company represented locally by Clement, Crawford, and Thornhill. We believe this program will work in the Neck because of the unique conditions in this area. That is, there is a group of small neighborhoods impacted by redevelopment.

This initiative will be designed by a group of respected financial professionals with involvement and input of residents of the Neck. Using this fund, the design team will create a program that ensures that no low or moderate-income homeowner will have to leave his or her home as the result of property reassessment. In addition, this design group will be charged with expanding the scope of the initiative to encompass other ways that residents of the Neck can take advantage of existing or new economic development opportunities.

To start this design process, the City will sponsor a Tax Workshop on Tuesday, January 20 2004 beginning at 5:30 p.m. at the Freddie Whaley Jr. Community Center in Rosemont.